

Paper 18 : Corporate Financial Reporting

Overall performance of the Students and suggestions regarding how they can improve their performance

Questionwise Performance

Question 1

- (a) Performance was poor , showing clear lack of knowledge.
- (b) Performance was satisfactory.
- (c).Poor performance. Candidates mostly failed to work out diluted EPS correctly.

Part- B

Question 2

- (a)Most of the candidates failed to answer correctly. Common mistakes were found in working out Reserve and Surplus, amount of Minority Interest and Goodwill..

Or

- (b) Performance was below average. Journal entries were not complete in many cases. Goodwill, Capital Reserve in AB Ltd .'s books could not be worked out correctly.

Question 3

- (a) Average Performance . In many cases Notes to Accounts were not shown . Calculations of Minority interest , Goodwill, Reserves & Surplus were incorrect in many cases.

Or

- (b)Poor Performance. Most of the candidates erred in the areas relating to
 - i) Purchase consideration of equity shares, ii) calculation Cash at Bank of B Ltd., iii) calculation of Goodwill and iv) proper heading of Balance Sheet.

Question 4

- (a) Performance was satisfactory.

Or

- (b) Performance satisfactory. In some cases statement for fraction of shares were found wrong. Some candidates worked out the purchase consideration partly.

Question 5

- (a)Poor Performance noted. Calculation of compensation expenses relating to ESOP was not clear to most.

Or

- (b) (i)and (ii) Performance was satisfactory

/ contd.

Question 6

(a) (i) Performance was average, Most failed to compute average earnings correctly.

(ii) Average Performance. Candidates did not have clear concept of intellectual capital

Or

b) (i) Poor performance.. Most of the answers were wrong.

(ii) Poor Performance. Showed lack of knowledge of the particular topic.

Question 7

(a)

(i) Performance was not satisfactory because application of XBRL was not clear to many candidates.

(ii) Performance unsatisfactory. Lack of knowledge .

Or

(b)

(i)Performance was above average .Some candidates failed to work out WACC and Operating capital.

(ii) Poor performance.

Question 8 – Theory Questions

(a)

(i) Above Average performance.

(ii) Performance good.

Or

(b)(i) and (ii) and (iii) Poor answers. Candidates lacked proper knowledge of the topics and gave incomplete and sketchy answers.

Suggestions to improve performance

It should be appreciated that as this Paper deals mostly with numerical questions, there is scope to score high marks . But the performance of majority of the candidates were below expected level. It appeared that most students did not prepare well for the Examination through intensive study of the Institute Study material and prescribed texts They also need to practice to solve various problems relating to this subject by solving Institute's past Question Papers and Question papers of equivalent subject of other Professional Institute and Universities.. Only with proper study and preparation of the subject matter they can face the examination more confidently.

They must also improve their skill of presentation of their answers in a neat and well arranged manner. This will help them to score higher marks.

The candidates must learn to do proper time management while answering such papers where many questions are to be answered after making proper selection from the many choices available.